THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) Yes, Sir. It is mandatory for companies to deposit all amounts specified in Section 205C of the Companies Act, 1956, including dividend amounts remaining unpaid and unclaimed for seven years or more as on 31-10-98 to the Investor Education and Protection Fund as provided under section 205C *ibid and* Rules made thereunder.

Rate of interest on deposits

† 2020. SHRIMATI SAVITA SHARDA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the number of times the rate of interest on term deposit has been reduced by banks during the last three years and by how much;

(b) whether Government are aware of the difficulties faced by middle class and senior citizens, who are dependent on interest of the sum deposited in banks, as a result of continuously reducing interest rates on term deposit; and

(c) if so, whether Government would review the continuous reduction on interest rates on term deposit in view of difficulties faced by middle class and senior citizens?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) Reserve Bank of India (RBI) has reported that with effect from 22nd October, 1997 it has given freedom to commercial banks to fix their own interest rates on Domestic Term Deposits of various maturities with prior approval of respective Board of Directors/Asset Liability Management Committee (ALCO). As such the rates of interest on deposits are being determined by the banks themselves. The term deposit rates of the Public Sector Banks during the last three years have been as follows:

	March, 2000	March, 2001	March, 2002	July, 2002
Deposit Rates	5.00-11.00	4.00-10.50	4.25-8.75	4.25-8.25

(b) and (c) Based on the representations received from senior citizens and with a view to partly meeting the hardships faced by the senior citizens

†Original notice of the question was received in Hindi.

on account of falling interest rates, banks have been permitted by RBI to formulate fixed deposit schemes specifically for senior citizens offering higher and fixed rates of interest as compared to normal deposits of any size. Besides, RBI also take into cpnsideration the impact of interest rates on various sections of the society and segment of industries while announcing their annual Monetary and Credit Policy.

Chalapathi Rao's recommendations on RRBs

2021. SHRI MATILAL SARKAR: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the existing percentage of Government's share in the Regional Rural Banks;

(b) the percentage of Government's share as proposed by the working group led by M.V.S. Chalapathi Rao, M.D., NABARD;

(c) whether Government have decided to implement the report of the working group;

(d) whether the opinion of the trade union organizations will be considered at the time of implementation of Chalapathi Rao's report; and

(e) the details of Government's decision on Chalapathi Rao's recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) As provided under Section 6(2) of Regional Rural Banks Act, 1976 the share capital of each RRB is contributed in the ratio of 50:15:35 by the Central Government, State Government concerned and the sponsor bank - respectively.

(b) to (e) The Report of the Working Group constituted under the Chairmanship of Shri M.V.S. Chalapathi Rao is under examination of the Government.

Annual meeting of Chief Commissioners of Income Tax

2022. SHRI VIJAY J. DARDA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that in May, 2002 during annual meet of Chief Commissioners of Income Tax, it was stated that 79 per cent of